City of Carlin C-PACE

Commercial Property Assessed Clean Energy

Program Guide

PROGRAM AUTHORIZED BY:

PROGRAM ADMINISTERED BY:

NEVADA CLEAN ENERGY FUND

VERSION 1.0

MARCH 2025

Contents

1. Introduction 4
   A. Purpose of the Program Guide 4
   B. Background and Legal Authority 4
   C. City of Carlin Responsibilities 4
   D. How to Use This Guide 5
2. Program Overview 5
   A. Entities Involved in a C-PACE Financing Transaction 5
3. Program Administration 6
4. Eligibility Requirements 7
   A. Eligible Properties 7
   B. Eligible Projects 8
5. Application Process 10
   A. Submit a Letter of Intent 10
   B. Finalize C-PACE Application 10
   Information for Mortgage Lender: 13
   C. Review and Approval 14
   D. Closing and Recording of Documents 15
   E. Timing Considerations 15
6. Project Feasibility Reports 16
   A. Energy Efficiency Improvement Project: Energy Audit 16
   B. Renewable Energy: Feasibility Study 16
   C. Water Efficiency Improvement Project: Written Analysis 17
   D. Resiliency Project: Written Analysis 18
7. Capital Providers 18
   A. Eligibility 18
   B. Registration 19
8. Contractor Participation 19
   A. Contractor Responsibilities 19
   B. Eligibility 19
   C. Technical Support 19

D. Disclaimer 20
9. Program Fees 20
10. General Terms and Provisions 21
A. Financing Structure 21
B. Changes in Program Terms 22
C. Disclosure of Information 22
D. Release and Indemnification 23
E. Definition of Terms 23
11. Appendices 26
Appendix A: Form of Voluntary Assessment Agreement 26
Appendix B: Form of Notice of Assessment and Assessment Lien 26
Appendix C: Form of Assignment of Assessment and Assessment Lien 26
Appendix D: Lender Consent Form 26
Appendix E: Property Owner Certification 26
Reference Documents (Statutes, Resolutions, Applications) 26

1. Introduction

A. Purpose of the Program Guide

This Program Guide ("Program Guide") establishes the framework for the administration and implementation of the Commercial Property Assessed Clean Energy ("C-PACE") Program for the City of Carlin (the "City"). The City's C-PACE Program is hereinafter referred to as the "Program." This document is intended to provide clear guidance to property owners, capital providers, contractors, and other stakeholders regarding program requirements, procedures, and legal obligations. This document serves as a reference for compliance with applicable law and program standards and does not constitute legal or accounting advice. Participants are encouraged to consult their own legal counsel or accountant regarding any contractual, statutory, or financial obligations.

B. Background and Legal Authority

C-PACE is a policy-enabled mechanism commercial property owners or their tenants can use to finance clean energy measures on their property. C-PACE financing is secured by a voluntary special assessment recorded against the property as a lien. C-PACE is enabled in over 30 states across the U.S., allowing access to financing for new construction and retrofits with measures that lower utility costs and meet building codes.

The State of Nevada authorized C-PACE under Chapter 271 of the Nevada Revised Statutes ("NRS"), permitting municipalities to create districts for financing or refinancing Qualified Improvement Projects ("QIPs"). QIPs can include energy efficiency, renewable energy, water efficiency, or resiliency improvements.

The City adopted Resolution No. 2026-02 on January 14, 2026 (the "Resolution") authorizing the creation of the C-PACE Program and establishing the Qualified Improvement District encompassing the City's boundaries.[1]

C. City of Carlin Responsibilities

The City's role is limited to executing the Assessment Agreement with the property owner, recording the Notice of Assessment and Assessment Lien, and assigning the lien to the Qualified Capital Provider. The City does not lend its credit or negotiate financing terms.

The City and its officers and employees shall not be liable for any costs, expenses, or obligations associated with the financing, construction, or performance of any QIP. The City shall not pledge, offer, or encumber its full faith and credit under the Program and shall not be responsible for any amounts due related to a QIP. The amount necessary to

[1] City of Carlin boundary can be found on the Elko County website: https://gis.elkocountynv.net/index.html

repay financing is secured solely by the assessment lien and is paid by the property owner or tenant (as applicable) and collected by the Qualified Capital Provider.

The Program is designed to operate at no cost to the City, and all administrative expenses are funded through fees paid by participating property owners. See Section 9 of this program guide for more details about program fees.

D. How to Use This Guide

This Guide is organized to assist participants in navigating the C-PACE process from initial eligibility determination through project completion. It includes:

- Definitions of key terms.
- Program requirements and eligibility criteria.
- Application procedures and documentation standards.
- Roles and responsibilities of program participants.
- Forms and templates for required agreements and consents.

2. Program Overview

The C-PACE Program offers property owners and tenants a way to finance energy efficiency, renewable energy, water conservation, and resiliency improvements. C-PACE financing is repaid through a voluntary special assessment placed on the property, not the individual owner. This means the obligation stays with the property even if ownership changes. Financing can cover up to 100% of eligible project costs, with repayment terms that match the useful life of the improvements. By using this structure, C-PACE enables property owners to invest in upgrades that reduce operating costs and improve building performance without requiring upfront capital or short-term debt.

A. Entities Involved in a C-PACE Financing Transaction

- **Property Owner**
  Agrees to the voluntary assessment and is responsible for project compliance. The property does not need to be owner-occupied. The Property Owner, or the tenant with the Property Owner's participation, (either, the "Applicant") applies for C-PACE, enters into a financing agreement with a Qualified Capital Provider, and makes payments to the Capital Provider under the financing agreement. Under some leases, the C-PACE structure may enable a Property Owner to pass the C-PACE assessment obligation on to the tenant.
- **Qualified Capital Provider**
  Responsible for establishing the financing terms, conditions, and underwriting standards and independently determining whether to invest in a project. Provides financing for the QIP after receiving assignment of the assessment lien from the

City and executing financing agreement with the Property Owner or tenant, as applicable. Handles billing and collection of C-PACE payments.

- **City of Carlin**
  Authorizes the Program, executes the Voluntary Assessment Agreement, records the Notice of Assessment and Assessment Lien, and assigns the lien to the Qualified Capital Provider. The City does not provide financing and bears no financial liability for project costs.
- **Program Administrator (Nevada Clean Energy Fund)**
  Oversees program operations on behalf of the City, including application review, eligibility verification, stakeholder coordination, and compliance monitoring.
- **Contractors and Service Providers**
  Also known as Qualified Service Companies, these contractors and service providers perform installation of improvements or conduct feasibility studies (e.g., energy auditors). Qualified Service Companies must meet program standards and comply with all applicable laws and licensing requirements.
- **Mortgage Holder(s)**
  Any existing lender with a lien on the property must provide written consent before the C-PACE assessment can be recorded, ensuring compliance with existing loan agreements.
- **Appraiser**
  Provides an independent valuation of the property to confirm that the proposed C-PACE financing aligns with program requirements, such as loan-to-value ratios and underwriting standards.

3. Program Administration

The City designated the **Nevada Clean Energy Fund (“NCEF”)** as the Program Administrator for the C-PACE Program. NCEF is responsible for managing all aspects of program implementation, including application processing, compliance review, stakeholder support, records retention and reporting, and marketing and outreach.

The Program Administrator acts as an independent contractor and is not an agent or employee of the City, though it may partner with the City on any matter of Program Administration. All obligations related to financing, construction, and performance of QIPs remain solely with the Property Owner and/or tenant and Qualified Capital Provider.

4. Eligibility Requirements

A. Eligible Properties

To qualify for participation in the City C-PACE Program, a property must meet the following requirements:

Eligible Property Types

- The property must be located within the boundaries of the City Qualified Improvement District.
- Commercial or industrial real property.
- Residential multifamily properties with five or more dwelling units. The property cannot be subdivided into condos before or during the loan period.

Ineligible Property Types

- Properties through a government-guaranteed program that prohibits subordination of its interest.[2]
- Government-owned property.
- Residential dwelling units containing fewer than 5 units.

Ownership and Title

- The Property Owner must hold fee simple ownership to the property and have authority to encumber it.
- The property must not be subject to bankruptcy proceedings or municipal liens, other than taxes not yet due and payable.

Tax and Assessment Status

- All property taxes, assessments, and municipal charges must be current at the time of application, including property taxes, special assessments, special taxes, other tax liens, water or sewer charges, code enforcement delinquencies, among others.

Valuation and Lien Limits

- The amount of the C-PACE assessment lien may not exceed:
    - 25% of the fair market value for improvements or retrofits to existing structures.

[2] Exceptions apply, check the specific government program for more details. For example, the Small Business Administration (SBA) has issued a procedural notice allowing SBA loans to be used with C-PACE financing.

    - 35% of the fair market value for new construction or gut rehabilitation provided that the new building meets or exceeds the current Nevada energy code as shown through the Energy Audit.
- The combined total of all liens, including the C-PACE lien, may not exceed 90% of the property's fair market value.

B. Eligible Projects

General Requirements for All Projects

- The improvement must be permanently affixed to the property.
- The improvement must meet or exceed all applicable building codes and standards.[3]
- Each improvement must have a minimum useful life of 10 years.
- A QIP must be an Energy Efficiency Improvement Project, a Renewable Energy Project, a Resiliency Project, and/or a Water Efficiency Improvement Project as defined in NRS Chapter 271 (the "Act") and as summarized below.

Energy Efficiency Improvement Project

An Energy Efficiency Improvement Project is a QIP that consists of the installation, modification, or replacement of equipment, systems, or building components designed to reduce energy consumption or demand in a building or facility. For retrofits, the Energy Audit shall assess the existing conditions of a building against the performance of the QIP. For new construction, the Energy Audit must demonstrate the expected energy savings that meets or exceeds the baseline building code.

Examples include but are not limited to:

- High-efficiency HVAC systems and controls.
- Lighting upgrades (LED retrofits, advanced controls).
- Building envelope improvements (insulation, windows, doors).
- Energy management systems.
- High-efficiency motors, pumps, and variable frequency drives.

Renewable Energy Project

A Renewable Energy Project is a QIP that consists of improvements to real property and associated facilities or equipment used to generate electricity or thermal energy from renewable sources to offset load (i.e., energy demand) on the property, in whole or in part. Renewable energy projects include energy storage. Applicants may also finance all the necessary appurtenances and incidentals needed to complete the project.

[3] Check with the City of Carlin building department for list of applicable building codes and standards.

Eligibility & Requirements:

- Must be installed on the customer side of the electric meter (i.e., behind-the-meter).
- Cannot be used to sell or distribute renewable energy between tracts, except where the structure spans contiguous tracts.

Examples include but are not limited to:

- Solar photovoltaic (including roof upgrades for rooftop systems)
- Solar thermal
- Geothermal
- Small wind
- Hydroelectric systems

Resiliency Project

A Resiliency Project is a QIP that increases a building's ability to withstand or recover from disruptive events.

Examples include but are not limited to:

- Seismic retrofits.
- Indoor air quality systems.
- Stormwater systems for flood risk reduction.
- Wind and fire resistance upgrades.
- Measures to reduce heat island effect.
- Backup power systems for outage resilience.

Water Efficiency Improvement Project

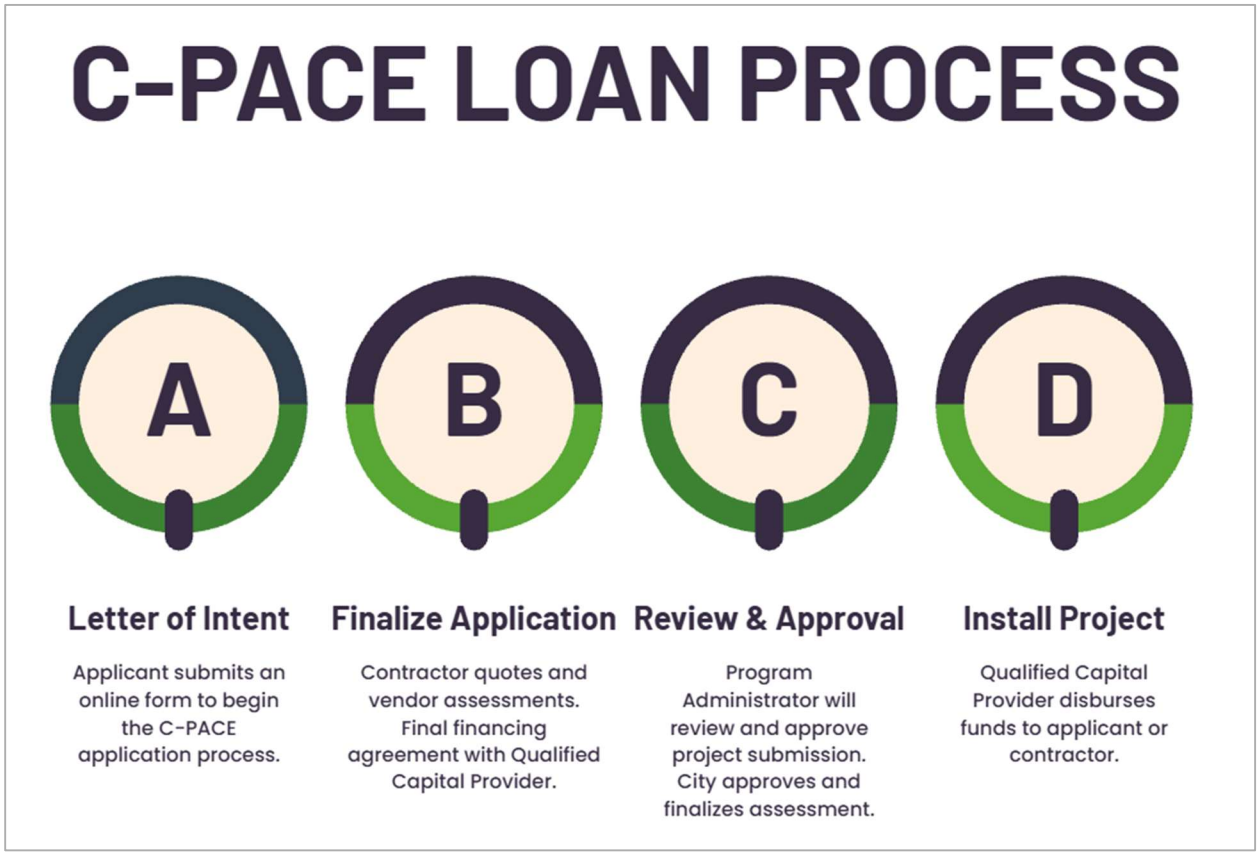
Water efficiency Improvement Project means any improvement to real property that reduces water consumption or improves water quality, including, without limitation, improvements to plumbing fixtures, irrigation systems, landscaping, or other water-saving technologies.

Examples include but are not limited to:

• High-efficiency plumbing fixtures
• Irrigation system upgrades
• Water-efficient landscaping
• Technologies that reduce potable water use or improve stormwater quality

5. Application Process

The following diagram describes at a high level the C-PACE application and approval process. The individual steps are described in more detail in the remainder of this section.



A. Submit a Letter of Intent

The Program Administrator will provide an online letter of intent form accessible on the program website. The Applicant's letter of intent will allow the Program Administrator to confirm the project and property will meet the QIP guidelines before requesting additional work and documentation from the Applicant.

B. Finalize C-PACE Application

After the Program Administrator issues a notice to proceed, the Applicant will work with the Program Administrator to complete all the documentation necessary to complete the C-PACE process. This process is explained in more detail below. Template copies of any standard forms required for the application can be found on the Program website and in the Appendix to this Program Guide.

C-PACE Application Required Document Checklist

Contractor quote(s) and contracts (draft or final) for the project from Qualified Improvement Contractor(s)
A list of any other costs to be financed
Project feasibility studies (e.g., Energy Audit and/or Feasibility Study)
Property appraisal conducted by an appraiser certified in the State of Nevada
Title report showing all existing liens against the property
Existing lender consent(s) in the form of Appendix D (if applicable)
Property owner certification in the form of Appendix E
Financing Agreement with a Qualified Capital Provider
Voluntary Assessment Agreement in the form of Appendix A
Notice of Assessment and Assessment Lien in the Form of Appendix B
Assignment of Notice of Assessment and Assessment Lien in the Form of Appendix C

Contractor quote(s) and contracts

Documentation needed to submit to the Program Administrator:

- Contractor quote(s) and contracts (draft or final) for the project from Qualified Improvement Contractor(s). See Section 8 for more information on Qualified Improvement Contractors.
- A comprehensive list of any other costs to be financed under the Financing Agreement (e.g., C-PACE program fees, loan fees, etc.).

Why this is needed:

The contractor quotes and contracts and the list of other costs to be financed enable the Program Administrator to determine the amount of C-PACE financing being requested.

Project feasibility studies

Documentation needed to submit to the Program Administrator:

- Written Analysis, Energy Audit and/or Feasibility Study. See Section 6 for more information.

Why this is needed:

The Written Analysis, Energy Audit and Feasibility Study will help the Program Administrator determine if the project meets the program standards for a QIP.

Property appraisal

Documentation needed to submit to the Program Administrator:

- A property appraisal document.

Appraisal Guidelines:

- The property appraisal must be conducted within 180 days prior to the recording of the voluntary assessment agreement.
- The value of the property shall take into account the additional value to the property as a result of the QIP, but otherwise shall be an “as is” value except as provided in the following sentence. For new building construction, the value of the property may take into account the additional value to the property as a result of the QIP and new building construction if the Qualified Capital Provider approves the specific method used to value the new construction in a written approval delivered to the Program Administrator.
- Appraisal must be prepared by an appraiser certified in the State of Nevada. The guidelines by which Appraisers shall calculate fair market value of Qualifying Commercial or Industrial Real Property under NRS 271.6325(3) are the Uniform Standards of Professional Appraisal Practice (USPAP) and the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA).

Financing Agreement with a Qualified Capital Provider

Documentation needed to submit to the Program Administrator:

- A C-PACE financing agreement (“Financing Agreement”) with a Qualified Capital Provider.

Capital Provider selection and process:

The Program Administrator will provide a list of pre-qualified capital providers on the program website. Applicants can also refer capital providers to the Program Administrator, who will qualify the capital provider through a streamlined registration process. See Section 7 for more information on Qualified Capital Provider requirements. The Qualified Capital Provider is responsible for establishing the financing terms, conditions, and underwriting standards for a QIP. The Qualified Capital Provider will independently determine whether to invest in a specific project. Upon completion of the underwriting process—which could take several weeks or more—the Qualified Capital Provider should issue a conditional approval or financing commitment letter specifying the financing terms and any closing conditions. These terms will ultimately be formalized in a Financing Agreement.

Financing Agreement requirements:

At a minimum, the Financing Agreement must provide: (1) the Qualified Capital Provider with responsibility for billing, collection and enforcement of the Assessment and Assessment Lien; (2) enforcement of the Assessment and Assessment Lien by judicial foreclosure like a mortgage; (3) that acceleration is not an available remedy for

enforcement of the Assessment and Assessment Lien; and (4) delinquent installment payments of the Financing Amount will result in interest and penalties only if set forth therein. The Financing Agreement must be in final form upon application submission including conditional language related to the recording of the Assessment and executed signature pages.

Existing Lender Consent(s)

Documentation needed to submit to the Program Administrator:

- Consent by any and all lenders that hold other liens on the property ("Lender Consent") using the form provided in Appendix D.
- Title report showing all existing liens against the property.
- Property owner certification in the form of Appendix E.

Why this is needed:

Each C-PACE installment, including any delinquent payments, holds priority over all other liens, claims, and encumbrances—except for general tax liens under NRS 361.450—provided that written Lender Consent has been obtained. The assessment lien runs with the property title and remains in effect until fully paid.

Information for Mortgage Lender:

C-PACE financing under the Program cannot be accelerated in the event of default. While the full assessment amount is recorded in the property records, only the annual payment may be collected, even in a default situation. In addition, C-PACE financing does not restrict a senior lender's foreclosure rights. C-PACE financing may also increase the value of the senior lender's collateral and improve debt service coverage.

The Program Administrator is available to assist the Applicant to review C-PACE program requirements and align on program benefits with any existing lender. The existing lender will likely request a summary of the project, including key assumptions, equipment to be replaced, projected financial metrics and anticipated cashflow. This information supports the senior lenders' due diligence process before providing consent.

Assessment Documents

Documentation needed to submit to the Program Administrator:

- Voluntary Assessment Agreement in the form of Appendix A.
- Notice of Assessment and Assessment Lien in the Form of Appendix B.
- Assignment of Notice of Assessment and Assessment Lien in the Form of Appendix C.

Document descriptions:

The Voluntary Assessment Agreement is the contract between the property owner(s) and the local government (or program administrator) that establishes the terms of the voluntary C-PACE assessment, including the amount, repayment structure, and obligations tied to the property. The Property Owner is responsible for signing the assessment documents prior to final submission of the application.
The following guidelines must be followed for documents to be property recorded with the County of Elko:

- Property Owners must sign two copies of assessment documents.
- Each document requires notarized wet signatures on single sided paper.
- The sheets of paper must not be bound together at the side, top or bottom.
- Stamps or seals cannot overlap with text or a signature on the document.
- No colored markings to highlight text or any part of the documents.
- All text must be printed in black.

The Notice of Assessment and Assessment Lien is a recorded document that provides public notice that a lien has been placed on the property to secure repayment of the C-PACE financing. It includes legal descriptions and confirms the lien's priority status.

The Assignment of Notice of Assessment and Assessment Lien transfers the rights and interests in the assessment and lien from the local government to the Qualified Capital Provider, granting authority for billing, collection, and enforcement under program guidelines.

C. Review and Approval

The Program Administrator will review the application to ensure accuracy and completeness. Once all statutory and program requirements have been satisfied, the Program Administrator will issue a project eligibility determination to the Applicant and provide a copy to the Qualified Capital Provider.

If the final application and supporting documentation are complete, accurate, and demonstrate that the proposed QIP meets C-PACE Program requirements, the Program Administrator will deliver written notice to the Applicant indicating its intent to seek approval from the City for the Voluntary Assessment Agreement and related action. The Program Administrator will request that the assessment approval be included in an upcoming City Council meeting for a vote and final approval. If the Program Administrator determines that the final application or supporting documentation is incomplete, inaccurate, or fails to establish that the proposed QIP qualifies for the C-PACE Program, the Applicant will be notified and given an opportunity to provide the missing information. Upon resubmission of a complete application and/or supporting documentation, the Program Administrator will re-review and re-evaluate the materials accordingly.

D. Closing and Recording of Documents

Once the City Council approves the C-PACE Assessment (agenda item: "*Approve, adopt and authorize the Chair to sign a resolution approving the Voluntary Assessment Agreement and related documents with [property owner] for C-PACE financing on a property located at [address].*"), authorized City representatives will add their signature to the appropriate Assessment documents and the City will circulate fully executed closing documents through the Clerk's office. Property Owner and Capital Provider will provide the written go-ahead prior to City staff formally recording the assessment and assessment lien. City staff will transfer signed documents to Elko County for recording. Final closing of the assessment and loan must occur within 30 days of City Council approval.

E. Timing Considerations

The below table gives indicative estimates for the length of time required for each step assuming the party carrying out the step has all the information needed. Some of these steps may be conducted simultaneously. The Program Administrator does not control the timeline of third parties. Times may vary from those listed below.

Step		Estimated Business Days	Notes
I.	Property appraisal	7 to 21+	Project specifications must be complete before appraisal. Submitting a draft report to Program Administrator will streamline step IV.
II.	Energy audit	7 to 14+	Project specifications must be complete prior to the energy audit. Submitting a draft report to Program Administrator will streamline step IV.
III.	Qualified Capital Provider underwriting	20+	Timeline depends completely on the relevant capital provider.
IV.	Program Administrator application review	10	Includes final form of the Financing Agreement, assessment documents, lender consent, appraised value.
V.	Agenda items due prior to City Council meeting	8	Final appraisal, report, financing agreement, and assessment documents. City Council meets 2nd and 4th Tuesdays of each month, except in the months of November and December, then the City Council only meets on the 2nd Tuesday.

VI.	Assessment recording after City approval	3 to 30	Process can take longer if Applicant and Capital Provider require more time to close the financing.
Note: Step I, II, and III can be parallelly executed. Step IV, V, and VI are sequential steps i.e. they cannot be complete unless the previous steps are complete.			

6. Project Feasibility Reports

Every C-PACE project must include a feasibility report to confirm that the proposed improvements meet program requirements and deliver expected benefits. The feasibility report verifies the QIP is eligible for the program. The type of report required depends on the nature of the improvements—such as energy efficiency, renewable energy, water conservation, or resiliency measures. Projects requesting funding in multiple measure categories may meet all requirements in a single report, provided all details are included and the Qualified Service Professional has the necessary expertise. Utility funded rebate programs may also provide feasibility reports that can satisfy the C-PACE program requirements. Detailed requirements for each report type are outlined in the following section. Questions about feasibility report requirements should be directed to the Program Administrator.

Regardless of the report type, the report must contain a “Local Labor Statement” reflecting the estimated number of apprentices, local labor and non-resident labor intended to be used for the Qualified Improvement Project.

A. Energy Efficiency Improvement Project: Energy Audit

All Energy Efficiency Improvement Projects must be supported by a formal Energy Audit conducted by a Qualified Service Company (see section 8 for more details on contractor eligibility requirements). An Energy Audit is a formal evaluation of the energy consumption of a permanent building or any structural improvement to real property.

The Energy Audit must *comply with or be consistent with* the following standards:

- ASTM International Standard E2797, “Standard Practice for Building Energy Performance Assessment for a Building Involved in a Real Estate Transaction.”
- ASHRAE Level 2 or 3 guidelines for energy audits.

B. Renewable Energy: Feasibility Study

All renewable energy projects must meet the definition of a renewable energy project and be supported by a written feasibility study. This study must include the following elements:

For all Renewable Energy Projects:

- **Basic Project Information:**
    - Address, property type (office, retail, hotel, multifamily, industrial), gross square footage.
    - Overview of the proposed renewable energy system (e.g., solar PV), including schematic design and interconnection details.
    - Site Photographs: Location for system installation (rooftop, ground, parking canopy).
    - Resource assessment of the renewable energy potential.
- **Performance & Financial Analysis**
    - Projected annual energy production with supporting documentation.
    - Annual utility cost escalation and equipment degradation assumptions.
    - Estimated total capital cost (including eligible C-PACE costs).
    - Maintenance requirements and annual maintenance contract cost.
    - Applicable incentives, rebates, renewable energy credits.
    - Investment Tax Credit (ITC) and MACRS depreciation documentation.
    - ROI, payback period, IRR, NPV, and projected cash flow analysis.
- **Useful Life & Warranty**
    - Expected Useful Life (EUL) of all major components (minimum 10 years or term of assessment).
    - Vendor guaranteed performance and degradation warranty.

Additional requirements for Solar Project

- Modeling tools used (e.g., PVWatts®, Aurora, HelioScope, PVSyst, SAM) with input parameters and assumptions (soiling, degradation, escalation).
- Warranty documentation for panels and inverters (must at least exceed financing term).
- Roof material and remaining useful life.
- Structural adequacy for supporting PV system (professional opinion from structural engineer).
- Roofing condition assessment (professional opinion from roofing specialist).
- Description of necessary work for ground or canopy installations.

C. Water Efficiency Improvement Project: Written Analysis

A Water Efficiency Improvement Project must be supported by a Written Analysis prepared by a Qualified Service Company.

The Written Analysis must:

- Provide a detailed description of the project.

- Demonstrate that the project meets the definition of “Water Efficiency Improvement Project” under the Program Guide and the Act.
- Quantify the water consumption reduction and/or water remediation expected from the project.

The Qualified Service Company must:

- Include a brief summary of their background and water-specific qualifications in the written analysis.
- Document assumptions and inputs used in calculations (e.g., flow rates, estimated monthly usage).

D. Resiliency Project: Written Analysis

All resiliency projects must meet the definition of a resiliency project and be supported by a written feasibility study by a licensed professional in the relevant field.

Examples of licensed professionals are provided below:

- An architect registered pursuant to chapter 623 of NRS;
- A landscape architect registered pursuant to chapter 625 of NRS;
- A professional engineer licensed pursuant to chapter 625 of NRS;
- An environmental health specialist that has a certificate of registration pursuant to chapter 625A of NRS;
- A land use planner certified by the American Institute of Certified Planners;
- Other licensed professionals applicable to a specific Resiliency Project.

7. Capital Providers

A. Eligibility

Each Qualified Capital Provider shall:

- Be and remain authorized to conduct business, and in good standing in all jurisdictions in which it conducts business, including in the City of Carlin and the State of Nevada.
- Have the legal authority and power to provide financing for the installation of Qualified Improvement Projects that are permanently affixed to real property.
- Comply with all applicable municipal, state, and federal laws and regulations.

B. Registration

Capital Providers interested in financing QIPs are encouraged to complete and return the Capital Provider application. Please reach out to info@nevadacef.org for the relevant form.

8. Contractor Participation

A. Contractor Responsibilities

Contractors and service providers, also known as Qualified Service Companies, play a key role in both project delivery and Applicant education. Contractors will partner with the Applicant, sub-contractors, and the Program Administrator to:

- Conduct written analyses, energy audits, and/or feasibility studies in accordance with Section 6 to identify eligible measures for C-PACE financing.
- Provide cost estimates, design specifications, and engineering, procurement, and construction (EPC) contracts for QIP installation.
- Coordinate with the Program Administrator to ensure compliance and provide accurate program information.
- Install QIPs.

B. Eligibility

To participate in the C-PACE Program, contractors must:

- Hold a valid Nevada contractor's license and/or any required state or local licenses.
- Be authorized to conduct business and remain in good standing in all jurisdictions where they operate, including the City and the State of Nevada.
- Have legal authority to offer, sell, and install improvements permanently affixed to real property.
- Comply with all applicable municipal, state, and federal laws and regulations related to installation, sales, and financing of improvements.

Applicants may select any contractor that meets these requirements. The C-PACE application must include documentation that the selected contractor meets the eligibility requirements.

C. Technical Support

C-PACE projects often involve complex technical and financial requirements. To help contractors navigate these challenges, the Program Administrator provides free technical support, including:

- Reviewing projects for C-PACE eligibility.
- Assisting with financial and energy savings calculations.
- Joining meetings with Applicants, contractors, and/or existing lenders to explain program benefits and technical details.

Contractors should consult their own accountants, attorneys, or other professionals for additional legal or financial advice.

D. Disclaimer

All QIPs must be completed by independent contractors who hold all required state and local licenses. Applicants are solely responsible for selecting and vetting their contractor(s), including reviewing qualifications, pricing, and performance history.

The City and Program Administrator do not recommend or endorse any contractor, guarantee workmanship, or assume responsibility for construction quality, delays, or defects. Nevada laws governing public bidding and procurement do not apply to C-PACE projects.

Participation in the C-PACE Program does not guarantee additional business or advantages for registered contractors. The Program assumes no liability for contractor performance, and registered contractors waive any claims against the Program or its vendors related to registration.

9. Program Fees

The C-PACE Program will be self-financed, and the Program fees charged to participating Applicants are designed to cover the start-up and recurring costs of the Program Administrator to administer the Program. Each financed project administration fee, as approved by the City, and published in the Program Guide shall be disbursed to the Program Administrator at the close of financing with the Qualified Capital Provider. The City will charge a $400 fee per C-PACE project to record the assessment documents.

One-time Fee: A one-time program administration fee equal to **2.5 percent** of the Financing Amount, **not to exceed $75,000** per Financing, is applied to each QIP.

10. General Terms and Provisions

A. Financing Structure

- **Financing Details:** Financing is provided by Qualified Capital Providers through a Financing Agreement with the Property Owner and/or tenant. The agreement specifies the total financing amount, interest rate, program costs, and closing fees.
- **Amortization:** The financing must be fully amortized over the agreed term.
- **Financing Term:** The term cannot exceed the useful life of the improvement or the weighted average life of multiple improvements.
- **Financing Amount:** There is no minimum or maximum aggregate dollar amount that may be financed under the program.
- **Billing and Collection:** The Qualified Capital Provider is responsible for billing and collecting installment payments directly from the Property Owner and/or tenant in accordance with the Financing Agreement. The City does not participate in billing or collection activities and bears no responsibility for payment enforcement.
- **Delinquencies:** If the Property Owner and/or tenant fails to make payments, the Qualified Capital Provider may enforce the Assessment Lien through judicial foreclosure or other remedies permitted by law. The lien remains on the property until all amounts due are paid in full, and enforcement applies only to delinquent installments, not the entire balance (non-acceleration clause).
- **Transfers:** If the property subject to a C-PACE Assessment is sold or otherwise transferred, the Assessment and Assessment Lien remain with the property and do not accelerate. The new owner assumes responsibility for all remaining installment payments under the Financing Agreement. The Qualified Capital Provider retains all rights to enforce collection, and the City has no obligation to notify the new owner beyond the recorded lien.
- **Taxes:** Property Owners are solely responsible for any local, state, or federal tax consequences of their participation in the C-PACE program.
- **Eligible Costs**
    - Energy Audits, feasibility studies and other written analyses,
    - QIP(s), including materials and labor for installation or modification thereof,

- Improvements that are directly related to the installation of QIPs (for example, the cost of a roof replacement to support a roof-mounted solar photovoltaic installation),
- Commissions, closing fees, inspection fees, financing origination fees, interest, and other C-PACE program costs.
- Permit and inspection fees of the City,
- Program administrative fees,
- Project development, architectural and engineering fees,
- Third-party review fees,
- Capitalized interest under the Financing Agreement,
- Interest reserves under the Financing Agreement,
- Escrow for prepaid property taxes and insurance, and
- Any other fees or costs that may be incurred by the Applicant incident to the installation, modification, or improvement of a QIP.

B. Changes in Program Terms

The C-PACE Program may update this Program Guide and its provisions at any time. To ensure clarity, the Program Administrator will include a version date on each published Program Guide and on all future updates. This Program Guide is intended for reference purposes only and does not create any enforceable rights. The rights and obligations of the Property Owner (if applicable) are governed exclusively by two agreements:

- The **Financing Agreement** between the Property Owner and the Qualified Capital Provider; and
- The **Assessment Agreement** between the Property Owner and the City.

C. Disclosure of Information

All information and documents submitted under this Program are subject to the Nevada Public Records Act (NRS Chapter 239). As such, the City and the Program Administrator may disclose personal or corporate information to third parties when such disclosure is essential to the operation of the Program, required by applicable law, or necessary to provide services to the applicant.

Applicants acknowledge that the City must comply with Nevada public records and reporting laws. By participating in the program, Applicants agree that the City and the Program Administrator may share personal or corporate information with third parties when required by law, necessary for program operations, or needed to deliver services to the Applicant. However, neither the City nor the Program Administrator will disclose Applicant information for telemarketing, email campaigns, or direct mail solicitations.

D. Release and Indemnification

By submitting an application, the Applicant acknowledges that C-PACE exists solely to facilitate financing for QIPs. C-PACE is a financing mechanism only and does not guarantee the installation, quality, or performance of any improvements. Applicants remain responsible for repaying the full Financing Amount, regardless of whether the improvements are properly installed or function as intended.

Neither the City, its governing body, officers, employees, nor the Program Administrator shall be personally liable for any actions taken under the Program, except in cases of willful misconduct. The City does not pledge its full faith and credit and assumes no financial liability for any amounts due in connection with a QIP approved under the Program.

E. Definition of Terms

"Act" means NRS Chapter 271.

"Assessment" and "Assessment Lien" means a voluntary lien created by the City against any tract specifically benefited by any QIP to defray wholly or in part the cost of the project, in an existing structure or new construction, which lien shall be made on a Qualifying Commercial or Industrial Real Property, as secured by a Recorded Notice of Assessment and Assessment Lien, and which shall not be subject to acceleration or extinguishment by the sale of any property on account of the nonpayment of general taxes, and is prior and superior to all liens, claims, encumbrances and titles other than the liens of assessments and general taxes attached to the tract pursuant to the provisions of NRS 361.450.

"Assessment Agreement" means the voluntary contract, signed by the City and the Property Owner, whereby the Property Owner agrees to an Assessment and Assessment Lien imposed and Recorded on its Tract as security for repayment of Financing received pursuant to a Financing Agreement.

"Capital Provider" means any private entity or the designee, successor or assign of the private entity that provides Financing for a QIP pursuant to the Act.

"City" means City of Carlin, Nevada, a political subdivision of the State of Nevada.

"City Program Manager" means the City Managers unless an employee of City designated as the Program Manager appointed to run the City C-PACE Program and act as liaison with the Program Administrator.

"C-PACE" means Commercial Property Assessed Clean Energy.

"C-PACE Assignment" means a written assignment of the Notice of Assessment and Assessment Lien executed by the City for the benefit of the Qualified Capital Provider

that provided the financing for the Qualified Improvements Project which shall be Recorded to evidence the City's assignment of the Assessment and Assessment Lien, a form of which C-PACE Assignment is attached to the Program Guide.

“Delinquent C-PACE Payment” means any Installment Payment of the Financing Amount that was not paid by Property Owner when due, which shall include without limitation, all interest, late fees, and penalties incurred pursuant to the Financing Agreement.

“Effective Date” means September 19th 2025, i.e., the date this Resolution goes into effect.

“Energy Efficiency Improvement Project” means the installation or modification of one or more energy efficiency improvements that decrease or support the decrease of energy consumption or demand for energy through the use of energy efficiency technologies, products or activities and incidentals which are necessary, useful, or desirable for any such improvements and which installation or modification has a useful life of not less than ten (10) years.

“Financing” means the C-PACE Financing or refinancing described in the Financing Agreement, which is financed by the Qualified Capital Provider for one or more QIPs on Qualifying Commercial or Industrial Real Property.

“Financing Agreement” means the contract pursuant to which a property owner or tenant, as applicable, agrees to repay the Qualified Capital Provider for financing or refinancing a QIP, including, without limitation, any finance charges, fees, debt servicing, interest, penalties, and any other provision relating to the treatment of prepayment or partial payment, billing, collection and enforcement of the assessment and lien securing the Financing.

“Financing Amount” means the aggregate amount of the Financing, including interest, any finance charges, fees, debt servicing, costs, and penalties as are described in the Financing Agreement.

“Financing Term” means the term of the Financing, as described in the Financing Agreement.

“Lender” means a mortgagee, the beneficiary of a deed of trust or other creditor who holds a mortgage, deed of trust, or other Recorded instrument that encumbers the Tract to secure the Financing as security for the repayment of a loan.

“Lender Consent” means the instrument by which any Lender consents in writing to the creation of an Assessment and Assessment Lien against the Tract to pay all or a portion of the cost of the installation or improvement of a QIP. Each consent must be

Recorded and once Recorded is binding on the Lender as well as their successors or assigns.

“Notice of Assessment and Assessment Lien” means the document executed by the City and Recorded to evidence the Assessment and Assessment Lien, a form of which Notice is attached to the Program Guide.

“NRS” means Nevada Revised Statute.

“Program” means the City C-PACE Program created by City through adoption of this Resolution consistent with the Act.

“Program Administrator” means the person or entity contracted in writing by the City to assist with the planning and administration of the C-PACE Program.

“Program Guide” means the comprehensive document which sets forth standard forms and establishes appropriate guidelines, specifications, and criteria for the underwriting and approval of a QIP from time to time published by the Program Administrator and approved by the City Program Manager. The Program Guide is hereby adopted by the City pursuant to NRS 271.6325(2).

“Property Owner” means all the owners of record of a Tract on which a QIP is installed.

“Resolution” means Resolution No. 25-11 adopted by the City of Carlin on September 19, 2025 authorizing the creation of the C-PACE Program and establishing the Qualified Improvement District in accordance with NRS Chapter 271.

“Qualified Capital Provider” means a Capital Provider approved by the Program Administrator. The term includes any designee, successor, or assign of the entity that provides Financing as the Capital Provider for QIP.

“Qualifying Commercial or Industrial Real Property” means any real property within the District other than (i) a residential dwelling that contains fewer than five (5) individual dwelling units; or (ii) property financed by a government-guaranteed financing program that prohibits the subordination of the government's interest in the property or otherwise prohibits a contract under the Act and that meets the project eligibility requirements as further defined herein. This term does not include any real property owned by the U.S. Department of Defense pursuant to NRS 271.6315(3).

“Qualified Improvement Project” means one or more of an Energy Efficiency Improvement Project, Water Efficiency Improvement Project, Renewable Energy Project, or Resiliency Project which are permanently affixed to real property in an existing structure or in new construction performed pursuant to the Act, that meet the project eligibility requirements as further defined herein.

“Record” and its derivatives mean to record in the official records of the Office of the County Recorder, County of Elko, Nevada.

11. Appendices

Appendix A: Form of Voluntary Assessment Agreement

Appendix B: Form of Notice of Assessment and Assessment Lien

Appendix C: Form of Assignment of Assessment and Assessment Lien

Appendix D: Lender Consent Form

Appendix E: Property Owner Certification

Reference Documents (Statutes, Resolutions, Applications)